

**DRAFT MINUTES**

**VIRGINIA MANUFACTURED HOUSING BOARD  
MEETING  
May 14, 2009  
RICHMOND, VIRGINIA**

**Board Members Present** : Michael C. Nickell, Chairman  
Ava Lewis, Vice Chairman  
James W. Roncaglione  
Walter K. Hughes, Sr.  
Eric Anderson  
William B. Toombs  
Lorenzo E. Dyer, Secretary to the Board

**Board Members Absent** : William H. Moody  
Gina M. Burgin  
Ben Flores

|                              |   |                       |                      |
|------------------------------|---|-----------------------|----------------------|
| <b>Public Representation</b> | : | Steven Jacks          | <u>Staff</u>         |
|                              |   | Eric Olsen            |                      |
|                              |   | Andrea Bales          | Clinton Wallace      |
|                              |   | Jill Richardson       | Larry Brock          |
|                              |   | Samuel N. Pearce, Jr. | Eric Leatherby       |
|                              |   |                       | Valrae Negley        |
|                              |   |                       | Debra Winston-Bowles |

**A. Call to Order/Roll/Determination of a Quorum.**

The Virginia Manufactured Housing meeting was held in Richmond, Virginia, Thursday, May 14, 2009. Chairman Nickell called the meeting to order at 10:00 a.m. Lorenzo E. Dyer, Secretary to the Board performed the Roll Call and a Quorum was present.

A discussion was held and it was decided that Agenda Item F3 be removed from the Agenda.

**B. Approval of the Minutes.**

Corrections to March 19, 2009 Minutes read as follows: Fleetwood Corporation declared Chapter 11 bankruptcy. The Plant located in North Carolina, Plant 41 is closed. Fleetwood will honor the warranty for Plant 41 in North Carolina.

A motion was made by James W. Roncaglione to make corrections to the previous Minutes. Eric Anderson seconded the motion to accept the Minutes from the Board's meeting of March 19, 2009 with staff's corrections as noted. The Minutes were accepted as written by a unanimous vote.

**C. Public Comment.**

Walter K. Hughes, Sr. informed the Board of Ron Dunlap's meeting with legislative officials today and that he would not be attending today's Board meeting.

**D. Committee Reports.**

1. Educational Program Committee. The Educational Program Committee meeting was held on May 12, 2009 by telecommunications at 10:00 a.m. A report was presented to the Board in regard to a request for funds from the Transaction Recovery Fund to be utilized and used to educate the public by Radio and PSA's to be distributed to different locations in the Commonwealth of Virginia. Committee Board member Eric Anderson recommended the Educational Program Committee be scheduled to meet again to discuss what funds can be obtained and the allocation of funds for educational purposes.

Walter K. Hughes, Sr. made a motion that the board uses the interest from the fund because this is in accordance with the regulations and obligates that we educate consumers about the Board and the money from the interest fund is used for that purpose. Walter K. Hughes, Sr. withdrew his motion. The use of "Twitter" and "Face Book" was also presented to the Board as optional tools to educate and inform the public.

**E. Report of the Secretary/Associated Director/Deputy Director Reports.**

1. Licenses and Recovery Fund Reports.

Currently licensed are 3 brokers, 244 dealers, 30 manufacturers and 691 salespersons.

Steve P. Jack, Assistant Attorney General, provided information to the Board in regard to representation before the Board by third parties

2. Budget Report.

A report of payments disbursed from the Transaction Recovery Fund from January 2008 – May 2009 was presented to the Board.

As of April 30, 2009, the cash balance for the Licensing and the Transaction Recovery Fund Account is \$960,440.70.

3. Update of proposed changes to the Manufactured Housing Licensing and Transaction Recovery Fund Regulations.

A Summary of the Proposed Amendments to Regulations was presented to the Board. After review by the Secretary's Office, the Governor's Office, and being published in the Register, a Public Hearing will take place thirty days following to discuss any changes to the Regulations, if any.

A letter was mailed to the manufactures and the dealers. The letter to the manufacturers requested the return of the Home Installation Manuals. The Regulations state when a manual has been updated, it should be mailed back to the SBCAO upon license renewed by the regulant. The letter to dealers requested the return of the Certificate of Registration from the Division of Motor Vehicle (DMV). The Regulations state when renewing licenses, the Certificate of Registration should be sent along with the registration.

A report to the Board concerning FEMA. FEMA will be going through the process of selling and discarding manufactured homes. Those are going out as scrap and others are considered repairable. The warranty period has expired on these homes. Those FEMA Manufactured Housing sold as scrap are not habitable; and, as scrap units, the HUD label will be removed from the FEMA Manufactured Homes identified as scrap units.

#### 4. HUD's Manufactured Home Installation Program.

A memorandum was presented to the Board providing information concerning mandated training for manufactured home installers. Effective November 1, 2009, all contractors licensed to install manufactured homes in the Commonwealth of Virginia are required to have attended the training course, if not, contractors will not be permitted to install manufactured homes.

A Pilot presentation will be presented on May 27, 2009 for the Manufactured Home Installation Program.

The first training class for the Manufactured Home Installation Programs is scheduled for July 7, 2009.

Eric Olsen, Director, DPOR - After classes are completed, DPOR will be able to provide and online database for tracking Contractors that have attended the classes for certification.

Walter K. Hughes, Sr. made a motion to have 5% taken from the Transaction Recovery Fund in 2009 Fiscal Year and 5% taken from the TRF in 2010 Fiscal Year to be used for educational and staff expenses. James W. Roncaglione seconded the motion. Chairman Nickell called the question and the motion carried by a unanimous vote.

#### 5. Introduction to VAMHB Orientation Program

An Orientation Program will be presented concerning the functions the Virginia Manufactured Housing Board in the Department of Housing and Community Development in July, 2009 or September 2009. All Board members are required to attend this orientation program.

**F. Old Business**

1. Case-David and Sarah Burleson v Fleetwood Homes of Virginia.

A report from the Third Party Inspectors indicates additional work is required for the chassis structural support system prior to all other service being completed. Walter K. Hughes, Sr. made a motion to extend thirty days for the completion of work to be done by the Third Party Inspectors. James W. Roncaglione seconded the motion. Chairman Nickell called the question and the motion carried by a unanimous vote.

Amendment to Motion: If requirement for a third party inspection is waived, it must be waived by both parties.

2. Case-Larry and Patty Heffner v Fleetwood Homes, Ashland and Fleetwood Homes, VA.

Due to procedural requirements under the Administrative Process Act, the Heffner's case was pulled from the agenda. Eric Anderson made the motion to table this item until the next meeting. Vice-Chairman Lewis seconded the motion. Chairman Nickell called the question and the motion carried by a unanimous vote.

**G. New Business.**

1. License Application for Wayne H. Ferguson-Virginia Carolina Homes/Felony Conviction.

After much discussion, Eric Anderson made a motion to grant Wayne H. Ferguson a license. James W. Roncaglione seconded the motion. Chairman Nickell called the question and the motion carried by a unanimous vote.

Steven Jack. Once the Board has granted a license for a felony conviction, unless the circumstances have changed, there will be no reason to review an application again. If the circumstance changes and something else happens, you can bring the regulant back before the board and decide whether disciplinary action is necessary or whether or not to renew a license.

Walter K. Hughes, Sr. made a motion, once the Board has reviewed the application of a regulant applying for a licensed that has a felony conviction and the Board makes a decision, and the license is approved, the next time he/she is being reviewed by staff for a license, he/she does not need to be before the Board. Staff reviews the application and if any conviction has occurred, the regulant is brought back to the Board. If no change has occurred, staff should issue the license. James W. Roncaglione seconded the motion. Chairman Nickell called the question and the motion carried by a unanimous vote.

2. Samuel N. Pearce, Jr. – Hearing for the Six, Inc. / dba TurnKey Homes

Walter K. Hughes, Sr. excused himself from this agenda item.

An Informal Fact-finding took place on February 18, 2009. A Summary of the Informal Fact-finding was presented to the Board which included the Recommendations based upon the record of the IFF. Samuel N. Pearce, Jr. appeared before the Board as the Report of Findings and Recommendations were presented.

After much discussion, and to obtain additional information concerning the case, Eric Anderson entered a motion to remand the case to a Fact-finding Conference to be conducted by a Board member. Eric Anderson withdrew his motion. Vice-Chair Lewis made a motion to have a Formal Hearing done by the whole Board. Eric Anderson seconded the motion. Chairman Nickell called the question and the motion carried by a unanimous vote.

The Board advised staff to notify involved parties concerning the Hearing being held at the next Board meeting.

**H. Future Meeting Date and Location.**

The next meeting date and location of the Virginia Manufactured Housing Board is scheduled for Thursday, July 16, 2009 at 10:00 a.m., 501 N. Second Street, Richmond, Virginia 23219.

**I. Adjournment.**

The Virginia Manufactured Housing Board Meeting adjourned at 2:15 p.m. on a motion made by Vice-Chairman Lewis and seconded by Eric Anderson. The motion carried by a unanimous vote.